



Benchmark Performance by Asset Class			
	Week-to-Date	Month-to-Date	Year-to-Date
U.S. Large Cap Equities	-0.19%	-4.96%	4.95%
U.S. Small Cap Equities	2.68%	-1.53%	-6.98%
International Developed Equities	0.79%	0.16%	-4.46%
Emerging Markets Equities	1.58%	0.74%	1.19%
Global Equities	0.21%	-2.98%	1.62%
U.S. Bonds	-0.09%	0.07%	6.93%
Intermediate Municipal Bonds	0.07%	0.09%	3.21%
High Yield Bonds	0.10%	-0.22%	1.44%
Oil	7.60%	-5.27%	-40.88%
Gold	0.73%	-0.83%	25.64%
Key Rates	9/18/2020	12/31/2019	9/18/2019
U.S. 2 Year Treasury Note	0.14	1.58	1.77
U.S. 10 Year Treasury Note	0.70	1.92	1.80

Week in Review:

US equities were volatile last week, closing the third straight week of losses at a six-week low. The dominance of big technology companies was in full focus – despite 70% of S&P 500 stocks trading higher on the week, big tech weakness led to another down week for stocks overall. Meanwhile, newly public technology companies had great debuts – all four tech companies that went public last week traded above their expected ranges. Leading the way was Silicon Valley-based cloud computing company Snowflake (NYSE: SNOW), which had the largest initial public offering for a software company in history. The company, which provides services that allow corporations to store and analyze data across different divisions, originally priced its IPO at a range of \$75 to \$85 per share with a valuation of approximately \$20 billion (a previous round of financing in February 2020 valued the company at \$12 billion). As it became clear demand for shares was high, Snowflake's investment banking underwriters got more aggressive and ultimately priced the IPO at \$120 per share. On Wednesday, the stock began trading at an astounding \$245, which was the eventual closing price at the end of the week (a fully diluted valuation close to \$90 billion and 103% above the IPO price).

Investors do not seem concerned about the fundamentals of Snowflake. Despite a whopping 133% growth rate through the first six months of 2020, the company is still valued at 150 times current year revenue projections. To put that in context, the second priciest US stock by that metric is Zoom Video Communications, at 49 times current year revenue projections. Adding to the hype was the fact that Warren Buffett's Berkshire Hathaway, which is usually averse to investing in young and unprofitable technology companies, took a \$735 million stake in the company at the IPO price.

Valuation is not the only concern for potential investors. As with most high growth companies, Snowflake does not earn a profit (the company lost \$348.5 million in its most recent fiscal year). And while the company has a somewhat unique service, cloud giants Amazon, Google, and Microsoft offer similar services and are pouring billions into the increasingly competitive market.

Economic Calendar:

- Existing Home Sales - Tuesday, September 22nd
- New Home Sales - Thursday, September 24th
- Durable Goods Orders - Friday, September 25th

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Indices Used: U.S. Large Cap equities: Russell 1000 Index, U.S. Small Cap Equities: Russell 2000 Index, International Developed Equities: MSCI EAFE Index, Emerging Market Equities: MSCI Emerging Markets Index, U.S. Bonds: Barclays Aggregate Bond Index, U.S. 10 Year Treasury Note: Bloomberg 10 Yr. Treasury Note, Municipal Bonds: Barclays Intermediate Municipal Bond Total Return Index, High Yield Bonds: Barclays U.S. High Yield Total Return Index, Oil: Bloomberg WTI Crude Sub-Index Total Return Index, Gold: Bloomberg Gold Sub-Index Total Return Index

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